

**8/4/77 [2]**

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THE WHITE HOUSE  
WASHINGTON  
August 4, 1977

The Vice President  
Stu Eizenstat  
Hamilton Jordan  
Frank Moore  
Jack Watson

The attached was returned  
in the President's outbox and  
is forwarded to you for your  
information.

Rick Hutcheson

RE: MESSAGE FROM JOE CALIFANO  
ON WELFARE REFORM

THE WHITE HOUSE  
WASHINGTON

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<input type="checkbox"/>	FOR INFORMATION
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<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION  
FYI

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<input type="checkbox"/>	LANCE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	ARAGON
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<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
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<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

*oh*  
*C*  
~~THE PRESIDENT HAS SEEN~~

THE WHITE HOUSE  
WASHINGTON

THURSDAY - AUGUST 4, 1977  
2:15 P.M.

MR. PRESIDENT

MESSAGE FROM JOE CALIFANO:

LAST NIGHT THE SPEAKER, CONGRESSMEN  
ULLMAN, FOLEY AND PERKINS, JIM  
CORMAN AND I CAME TO AN AGREEMENT  
ON A SPECIAL ARRANGEMENT TO HOLD  
HEARINGS AND MARK UP THE WELFARE  
REFORM LEGISLATION BY THE END  
OF THIS YEAR.

THE COMMITTEE WOULD ESSENTIALLY BE  
THE PUBLIC ASSISTANCE SUB-COMMITTEE  
OF THE WAYS AND MEANS, CHAIRED BY  
CORMAN, WITH FOLEY AND PERKINS  
ASSIGNING MEMBERS FROM AGRICULTURE  
AND LABOR.

THE SPEAKER WILL PROBABLY ANNOUNCE THIS  
TODAY IN ORDER TO LOCK ULLMAN IN.  
ULLMAN ARGUED AGAINST THIS WITH US FOR  
TWO HOURS LAST NIGHT. I TOLD THE  
SPEAKER TO GO AHEAD, THAT YOU DID NOT  
MIND HIS DOING THIS BEFORE YOUR WELFARE  
REFORM MESSAGE WENT TO CAPITOL HILL.

TIM KRAFT

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Hugh Carter  
Tim Kraft

The attached was returned  
in the President's outbox and  
is forwarded to your for informa-  
tion and appropriate action.

Rick Hutcheson

RE: RESIGNATION OF BILL GULLEY

*cc Bob Linder*

THE WHITE HOUSE  
WASHINGTON

*Note to Hugh only -  
No other comments on  
This were submitted to the  
Pres.*

ACTION  
FYI

<input type="checkbox"/>	MONDALE
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<input type="checkbox"/>	JORDAN
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<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

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<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
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<input type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

August 2, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HC*  
SUBJECT: Director of the Military Office

Attached for your information is a letter of resignation from Bill Gulley.

He has an apparently very lucrative job offer with a local firm engaged in oil import and export. One of the principals of the firm was the Chief of Staff under former President Johnson. (Bill came to work here under the Johnson Administration.)

I have asked Marty Beaman, a lawyer from Orlando, Florida, to assume the responsibility for the Military Office. Marty is being oriented now, and should be fully capable of properly running the office by September 8 when Bill leaves. Also, Bill has agreed to make himself available to us at any time, should we need his assistance.

I regret losing Bill because he did an excellent job. However, I am confident the Military Office will continue to run well. Before he leaves, I will arrange for you to say goodbye to him.

*ok*  
*J*

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THE WHITE HOUSE

WASHINGTON

July 25, 1977

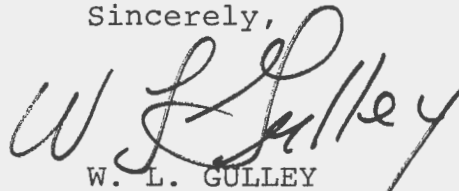
Dear Hugh:

As you know, I have recently given serious consideration to retiring from Civil Service and accepting employment in the commercial business world. I have now, in fact, decided to do so and I would like to depart on leave from the White House on September 8, 1977. I will remain in a leave status until my 55th birthday in November.

I would like to assure you that my departure is brought about solely by personal economic considerations. I have the highest regard for you and the President, and wish the Administration every success in the years ahead.

It has been a very high honor to have served four Presidents and I am very grateful that I was allowed to continue and be a part of President Carter's staff.

Sincerely,

A handwritten signature in dark ink, appearing to read "W. L. Gulley", with a long, sweeping flourish extending from the end of the name.

W. L. GULLEY

Director

White House Military Office

Mr. Hugh A. Carter, Jr.  
Special Assistant to the President  
for Administration  
The White House  
Washington, D.C. 20500

THE WHITE HOUSE

WASHINGTON

Date: August 3, 1977

MEMORANDUM

FOR ACTION:

Hamilton Jordan  
Jody Powell  
Tim Kraft

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: H Carter memo dated 8/2/77 re Director of the Military Office.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 9:00 A.M.

DAY: Friday

DATE: August 5, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

*Please note other comments below:*

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

/	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
/	JORDAN
	LIPSHUTZ
	MOORE
/	POWELL
	WATSON
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	ENROLLED BILL
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	JAGODA
	KING

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	LINDER
	MITCHELL
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te: August 3, 1977

MEMORANDUM

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YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 9:00 A.M.

DAY: Friday

DATE: August 5, 1977

ACTION REQUESTED:

☒ Your comments This selection has been made without  
Other: any consultation with two offices that work closely with  
the Military Office, my own and the Press Office. It is  
Hugh's prerogative to make this selection; that is without  
question. I would just hope that the individual selected

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

would have some political feel for the requirements in  
moving a Presidential party and 150 national press people  
and the advance that such movement requires. From what  
Hugh has told me about Gulley's replacement, this experience  
or background is not there.

I would hope there would be an opportunity to talk about  
the position, the individual, and some of the past problems that  
we hope to iron out in the future.

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material, please telephone the Staff Secretary immediately. (Telephone, 7052)

*Kraft comments  
not submitted  
per Kraft 8-4*


*To Rick*

THE WHITE HOUSE

WASHINGTON

August 2, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER 

SUBJECT: Director of the Military Office

Attached for your information is a letter of resignation from Bill Gulley.

He has an apparently very lucrative job offer with a local firm engaged in oil import and export. One of the principals of the firm was the Chief of Staff under former President Johnson. (Bill came to work here under the Johnson Administration.)

I have asked Marty Beaman, a lawyer from Orlando, Florida, to assume the responsibility for the Military Office. Marty is being oriented now, and should be fully capable of properly running the office by September 8 when Bill leaves. Also, Bill has agreed to make himself available to us at any time, should we need his assistance.

I regret losing Bill because he did an excellent job. However, I am confident the Military Office will continue to run well. Before he leaves, I will arrange for you to say goodbye to him.

THE WHITE HOUSE

WASHINGTON

July 25, 1977

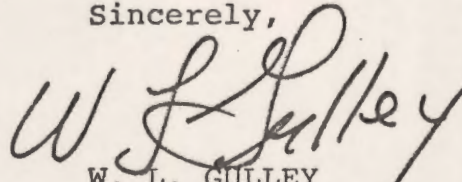
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I would like to assure you that my departure is brought about solely by personal economic considerations. I have the highest regard for you and the President, and wish the Administration every success in the years ahead.

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Sincerely,



W. L. GULLEY  
Director

White House Military Office

Mr. Hugh A. Carter, Jr.  
Special Assistant to the President  
for Administration  
The White House  
Washington, D.C. 20500

Date: August 3, 1977

MEMORANDUM

FOR ACTION:

Hamilton Jordan  
Jody Powell  
Tim Kraft

FOR INFORMATION:

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TIME: 9:00 A.M.

DAY: Friday

DATE: August 5, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

*Please note other comments below:*

☒ No comment.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.


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THE WHITE HOUSE

WASHINGTON

August 2, 1977

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WASHINGTON

July 25, 1977

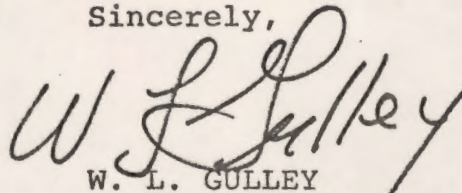
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Sincerely,

A handwritten signature in dark ink, appearing to read "W. L. Gullett", written in a cursive style.

W. L. GULLEY

Director

White House Military Office

Mr. Hugh A. Carter, Jr.  
Special Assistant to the President  
for Administration  
The White House  
Washington, D.C. 20500

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Bert Lance

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: EOP IMPLEMENTATION

THE WHITE HOUSE  
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
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<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
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ACTION  
FYI

<input type="checkbox"/>	MONDALE
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<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
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<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
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<input type="checkbox"/>	SCHULTZE

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<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN



PRESIDENT'S THE PRESIDENT HAS SEEN.  
REORGANIZATION  
PROJECT

WASHINGTON, D.C. 20503

August 3, 1977

ok  
JC

MEMORANDUM FOR THE PRESIDENT

FROM: Bert Lance *BL*  
SUBJECT: EOP Implementation

In order to assure swift and well-coordinated implementation of your decisions on reorganization of the Executive Office of the President, we have made several tentative arrangements. If you concur with the following, we will proceed:

1. A steering committee has been formed to monitor and coordinate the overall progress of the implementation effort. Its members are Hamilton Jordan, Jim McIntyre, Hugh Carter, and Richard Harden. This group will meet regularly to give guidance to the overall effort.
2. Harrison Wellford and I have asked A. D. Frazier to handle day to day coordination. A. D. has the best grasp of the overall subject matter and has established working relationships with all of those who will be affected. He will prepare bi-weekly reports to be submitted to you by the steering committee.
3. Attachment A lists the major tasks that must be performed. It also assigns responsibility for each task. The list has been cleared with each of the affected individuals as well as senior White House staff and the heads of all EOP units. Our next step is to ask each named individual to prepare a checklist of the detailed steps that he will take.
4. We have established September 30 as a target date for accomplishing all the changes that can be achieved through administrative action. We cannot, of course, set dates for changes requiring congressional action.

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5. Attachment B shows the revised personnel ceilings for each EOP unit. We plan to begin to implement all those changes not requiring congressional action as soon as possible.

Most of these arrangements have been cleared with all of the relevant individuals and, with your concurrence we will proceed.

2 Attachments



IMPLEMENTATION OF EOP REORGANIZATION

PROPOSED TASK ASSIGNMENTS

<u>Task</u>	<u>Responsibility</u>
I. Coordinate activities related to obtaining congressional approval of Reorganization Plan No. 1.	A. D. Frazier, Jr.
II. Assure preparation, review and approval of necessary Executive Orders and determination orders.	Tread Davis
III. Coordinate transfers of functions and reductions of personnel:  OMB White House and other EOP Units	Wayne Granquist A. D. Frazier, Jr.
IV. Manage the development and implementation of policy process management procedures	Stu Eizenstat
V. Manage the establishment of central administrative support units:  Presidential Administrative Support Central Administrative Unit	Hugh Carter Richard Harden



Proposed Ceilings For  
EOP Units

<u>Unit</u>	<u>Ceiling</u>
Office of the Vice President	27
Intelligence Oversight Board	0
Office of Special Representative for Trade Negotiations	41
*Office of Management and Budget	570
*Central Administrative Unit	149
Domestic Council	43
National Security Council	64
Council of Economic Advisers	35
Council on Wage & Price Stability	39
*Office of Science and Technology Policy	22
*Council on Environmental Quality	32
*Office of Drug Abuse Policy	0
Economic Opportunity Council	0
*Council on International Economic Policy	0
*Office of Telecommunications Policy	0
Federal Property Council	0
Energy Resources Council	0
White House Office	351
Other	86
TOTAL	1,459

\* Depends on passage of EOP Reorganization Plan

THE PRESIDENT HAS ~~SENT~~.

THE WHITE HOUSE  
WASHINGTON

5089

C  
/

August 3, 1977

MEETING WITH SENATE SELECT COMMITTEE  
ON INTELLIGENCE

Thursday, August 4, 1977

8:45 a.m. (30 minutes)

The Roosevelt Room

From: Zbigniew Brzezinski

ZB.

I. PURPOSE

To inform Congress of your thinking on reorganization of the Intelligence Community.

II. BACKGROUND, PARTICIPANTS, PRESS PLAN

- A. Background: When you met with the SSCI and House leadership in May it was agreed that the Administration and Congress should "work together" to develop a reform program for the Intelligence Community. The SSCI was already in the process of drafting legislation but agreed to hold up until the Administration had a chance to finish its own independent study of the problem. You in turn promised to take no unilateral reorganization initiatives and to work closely with Congress on charters for the intelligence agencies.
- B. Participants: See Tab A.
- C. Format: The meeting will begin at 8:30 a.m. The Vice President will chair the meeting until you arrive at 8:45 a.m.
- D. Press Plan: Noted on daily appointments calendar and, depending on outcome, a public statement could be released through Jody Powell or by Vice President Mondale. At Tab B is a proposed statement, submitted for your review and approval.

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### III. TALKING POINTS

Your suggested talking points are prefaced by a short background paragraph on each of the major topics to be discussed.

1. Opening Remarks (Some of the SSCI members strongly favor full centralization of authority and responsibility in the DCI and will, therefore, be inclined to think that your reorganization program does not go far enough in that direction. Your opening remarks should, therefore, stress the leading role you expect the DCI to play within the Intelligence Community and your commitment to working with Congress to develop appropriate charter legislation.)
  - When we last met it was agreed that the Administration and Congress should work together to develop an appropriate reform program for the Intelligence Community. You had completed much of your own study of the problem and agreed to hold up on introducing charter legislation until the Administration also had an opportunity to reach considered judgments. I, in turn, promised to take no unilateral actions on reorganization and to work closely with the Congress on charters.
  - We have now--after considerable study and lengthy discussion--reached certain conclusions on reorganization. These we hope will provide an acceptable basis for development in consultation with Congress of appropriate charter legislation. In the meantime, they will be implemented by executive order.
  - It seems clear to us that any approach to organizing the Intelligence Community should be based on the following principles:
    - Independent oversight, decentralized checks and balances and consistent high-level direction to all national intelligence activities
    - Establishment and prioritizing of requirements by major consumers
    - Specific tasking of intelligence collection elements by the DCI during peacetime with the Secretary of Defense as an alternative during crisis periods or war.
    - DCI responsibility for national analytical production but provision for departmental analytic efforts.

- DCI assumption of a leading role in resource management of all predominantly national intelligence programs

2. Reorganization Decisions (Because of Congressional sensitivities and your commitment to work with Congress on reorganization, you should explain your "decisions" in a way that does not preclude further discussion, especially of the fine points.)

- Our studies lead us to favor an approach that centralizes the most critical national intelligence management functions under the DCI--tasking, resources, and analytic production--while leaving the administrative and support functions with the operational elements where they are well performed today.
- The NSC should continue to act as the highest organizational entity that provides guidance and direction to the development and formulation of national intelligence activities. If anything, I hope the NSC will be even more active in this area than it has been in the past.
  - The NSC Policy Review Committee, chaired by the DCI, will assume the function of defining and prioritizing substantive intelligence requirements and evaluating analytical product performance.
  - The NSC Special Coordination Committee will continue to review proposals and make recommendations to me on covert action and to consider sensitive intelligence collection operations. We are also considering giving the SCC a similar review role in the counterintelligence field.
- The recently strengthened Intelligence Oversight Board will provide insurance against illegal or otherwise improper activities.
- The DCI should have during peacetime full tasking responsibility and authority for translating PRC-validated national intelligence requirements into specific collection objectives and targets and assigning them to intelligence collection organizations. During periods of crises or war I should, however, have the flexibility to shift tasking authority to the Secretary of Defense if that seems appropriate.

- A National Intelligence Tasking Center, jointly manned by civilian and military personnel will be established under the direction of the DCI to task all national intelligence collection systems.
  - The Tasking Center will also be responsible for ensuring that the resulting intelligence flow is routed immediately to all relevant components and commands.
  - The DCI should have "full and exclusive" authority for approval of the National Foreign Intelligence Program (NFIP) budget prior to its presentation to me, for its presentation to Congress, reprogramming of NFIP funds and for monitoring program implementation
  - The National Foreign Intelligence Board will advise the DCI on all his budgetary responsibilities
  - The DCI will have adequate staff to ensure his full access to relevant information and the capability to carry out program audits and evaluations.
  - The DCI will have full responsibility for production of national analytical intelligence in appropriate consultation with departmental analytical centers. He will in this capacity act as the primary advisor to the NSC and the President on substantive foreign intelligence.
  - All other organizational and operational arrangements and responsibilities assigned under existing statutes and executive orders shall remain in full effect.
3. Intelligence Oversight Board (Some SSCI members continue to be concerned about maintaining proper oversight over intelligence activities. It would, therefore, be helpful if you gave them the benefit of your thinking on the IOB and oversight in general.)
- I wish to restate to you the great importance I attach to effective oversight of intelligence activities. As I recently wrote to Senator Inouye, I intend to deal with all matters involving possible abuses personally. (See Tab C)
  - To assist me, I will rely on the IOB which reports directly and exclusively to me. Reports of abuses will be investigated and when corrective action is warranted I will report to you the nature of the abuse and corrective action taken.

- While it is necessary to treat information provided to the IOB on a privileged basis for the system to operate effectively, I also recognize the need to provide you in a timely fashion full and accurate information when and if any abuses occur in the future.
- We may in the future wish to provide the IOB with a legislative charter, but I think we should wait until we have had more experience with it functioning before taking that step.



## Participants

### Senate Select Committee on Intelligence

Chairman: Daniel Inouye

Vice Chairman: Barry Goldwater

Birch Bayh  
Joseph Biden \*  
Clifford Case  
John Chafee  
E. J. Garn  
Gary Hart  
William Hathaway  
Walter Huddleston  
Richard Lugar  
Charles Mathias  
Robert Morgan  
Daniel Moynihan  
James Pearson\*  
Adlai Stevenson \*  
Malcolm Wallop

Robert Byrd - ex officio \*

Howard Baker - ex officio \*

\*have not replied to invitation yet

### Administration

The President  
The Vice President  
Secretary Harold Brown  
Admiral Stansfield Turner  
Dr. Zbigniew Brzezinski  
Robert Lipshutz

Samuel Hoskinson, NSC Staff Member



## PUBLIC STATEMENT

The President has completed his review of the NSC studies on the organization and functions of the Intelligence Community. He consulted with the Vice President, his principal national security advisors, and Congressional leaders.

The basic purpose for these changes is to provide for continuing strong direction by the President and the National Security Council, to centralize the most critical national intelligence management functions under the DCI (tasking, resources and national analytic production) and to leave unchanged operational and support activities as they are performed adequately today. This is an organizational arrangement that builds on the experience of the past by strengthening the role of the NSC system and the DCI, while at the same time assuring responsiveness to both the intelligence requirements of major national-level consumers of intelligence and the operational needs of the departments and military services.

- For the first time, the major consumers of intelligence will be charged with the formal responsibility for formulating their requirements for substantive intelligence. Thus, the real requirements of the policy making level rather than technology or ability to collect will drive the entire intelligence process.
- The DCI will also have unprecedented ability to respond to these requirements through his full control of the mechanism for setting specific tasks for all intelligence collection organizations, his mandate to manage the budgets for all predominantly national intelligence activities and his sole responsibility for the production of national analytical products. Placing full responsibility for the most critical management functions in one authority should result in more productive and cost effective foreign intelligence activities.
- The National Security Council will continue to play the leading role in overall direction of the Intelligence Community. The new Policy Review Committee when chaired by the DCI will provide the direction to both the collection and analytical production effort that was missing in the past. The NSC Special Coordination Committee will continue to assume responsibility for review of the most sensitive intelligence

guidance, the departments and agencies of the NFIP will submit their proposed national program budgets to the DCI and assure that the DCI has all information necessary to perform his budgetary responsibilities. The National Foreign Intelligence Board will advise the DCI on all of his budgetary responsibilities in the same manner as it does on national intelligence production and other activities of common concern. Department heads will retain the right to appeal the DCI's budget decisions to the President. The Director of Central Intelligence will be provided with adequate staff support to ensure his full access to relevant information and the capability to carry out audits and evaluations of intelligence programs.

4. The Director of Central Intelligence will continue to act as the primary advisor to the National Security Council and the President on substantive foreign intelligence and to have full responsibility for production of national intelligence in appropriate consultation with departmental analytical centers. He will retain all other powers provided to him under relevant statutes and executive orders.
5. Apart from the foregoing, line authority will remain with the heads of the relevant departments and agencies. All other organizational and operational arrangements and responsibilities assigned under existing statutes and executive orders shall remain in full effect. Personnel administration, management and support activities, operational implementation of DCI tasking, and audit/inspector general functions will remain as presently assigned under departmental arrangements.

These decisions will be embodied in a new Executive Order for the Intelligence Community as an interim measure until appropriate charter legislation can be introduced and enacted by Congress.



THE WHITE HOUSE  
WASHINGTON

July 27, 1977

File IOB

To Chairman Inouye

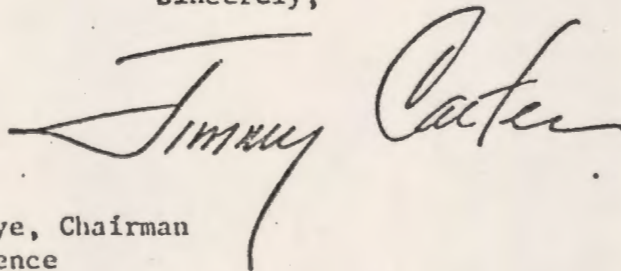
The Chairman of the Intelligence Oversight Board has reported to me on the very useful meetings which the Board had with you, Senator Goldwater, and the members of your staff following my meeting with the Board on June 8.

I want you to know that I consider abuses in the activities of any of our intelligence agencies to be of such import that I intend to deal with such matters personally. To assist me, I will rely on the Board, which as you know reports directly to me any matter which it believes raises a serious question of legality or propriety. When reports of abuses are made to me, I will have them investigated, and when corrective action is warranted, will report to your Committee the nature of the abuse and corrective action taken.

This decision was made after careful consideration of the dialogue between Admiral Turner, Mr. Knoche, and the Senate Select Committee concerning the same subject. I share with you a deep commitment toward institutionalizing effective oversight of foreign intelligence activities. I also recognize the need to keep the Committee as informed as possible. However, for the Executive branch mechanism to operate effectively, the information it receives must obviously be treated on a privileged basis.

I believe that the steps I have outlined will serve to eliminate most quickly and effectively any abuses which may in the future occur in any of our intelligence agencies and simultaneously serve to give the Senate in a timely fashion full and accurate information on what has occurred.

Sincerely,



The Honorable Daniel K. Inouye, Chairman  
Select Committee on Intelligence  
United States Senate  
Washington, D.C. 20510

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Stu Eizenstat  
Bob Lipshutz

The attached was returned in the  
President's outbox and is forwarded  
to you for your information.

The documents have been forwarded  
to Bob Linder for appropriate  
handling.

Rick Hutcheson

Re: CAB Orders El Al and Western  
Airlines

13 pages  
X

THE WHITE HOUSE  
WASHINGTON

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<input type="checkbox"/>	FOR INFORMATION
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<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION  
FYI

*use pen to sign appropriate documents within*

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<input type="checkbox"/>	JORDAN
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<input type="checkbox"/>	WATSON
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
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<input type="checkbox"/>	WARREN

8/3/77

THE WHITE HOUSE

WASHINGTON

August 1, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ *BL*  
STU EIZENSTAT *Stu*

RE: CAB Orders: El Al (Docket 31186)  
and Western Airlines (Docket 31183)

These two orders (1) deny El Al's request for charter service between the United States and Atarot Airport, located in Israeli occupied West Bank territory, and (2) suspend, pending investigation, Western's proposed passenger fare increases for United States-Mexico flights (6.2 percent proposed increase in first class fares; 2.4 percent proposed increase in economy and discount fares). Both orders become effective unless you disapprove them by August 4.

1. El Al: The CAB has grounded its denial of El Al's application on a formal objection filed by the State Department, which informed the Board that it would be contrary to the foreign policy interests of the United States for air service to be instituted between this country and an airport (Atarot) in the disputed West Bank territory. State noted that it would have no objection to the institution of charter service between the United States and Ben Gurion Airport in Israel; the CAB order indicates the Board's willingness to consider this alternative.

We recommend that you approve the CAB's order by taking no action on it. NSC concurs.

☒ Approve

☐ Disapprove

2. Western: Believing that Western's proposed fare increases for its United States-Mexico service would yield a return considerably above the Board's 12 percent benchmark, the CAB has suspended the increases pending an investigation of the rate of return. The interested agencies have no objection to the order.

This is the first instance since January 20 in which the Board has suspended a fare increase, as opposed to a decrease. We recommend that you approve the order by taking no action on it.

☒ Approve

☐ Disapprove

In addition, since no significant foreign policy questions are involved, we recommend that--as is customary in such cases--you preserve the opportunity for judicial review by signing the attached letter to the Board.

\_\_\_\_\_ Approve

\_\_\_\_\_ Disapprove

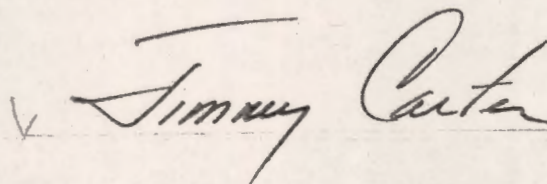
THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

I have reviewed your proposed order (Docket 31183) dated July 25, 1977, which suspends fares filed by Western Air Lines, Inc. pending an investigation. I have determined that no substantial foreign policy or national defense interests would be affected by the Board's proposed order. Therefore, I shall take no action in this case and allow the Board's order to stand.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Honorable Alfred E. Kahn  
Chairman  
Civil Aeronautics Board  
Washington, D.C. 20428

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Stu Eizenstat  
Frank Moore

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

Re: Inland Wetlands

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
X	EIZENSTAT
	JORDAN
	LIPSHUTZ
X	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE  
WASHINGTON

8-3-77

Stu & Frank -

Let's protect the  
inland wetlands.

See Post editorial

J

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for Preservation Purposes

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Z. Brzezinski -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Condolences re Makarios

X

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
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	STRAUSS
	VOORDE
	WARREN

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F.C.

Makarov

Londoners re

3615 -

8-3-77

THE WHITE HOUSE  
WASHINGTON

THE PRESIDENT HAS SEEN.

7:30 PM

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: GRETCHEN POSTON *GP*

DATE: 27 July 1977

SUBJECT: DINNER SCENARIO  
Visit of the President of Tanzania  
August 4, 1977

7:15 P.M. Dinner guests begin arrival via Diplomatic Entrance, to Blue Room for refreshments.

(U.S.M.C. Harpist in Main Hall.)

7:28 P.M. The PRESIDENT arrives Main Hall.

7:29 P.M. The PRESIDENT moves to North Portico.

7:30 P.M. President Nyerere arrives Northwest Gate to North Portico to be greeted by the PRESIDENT. Proceed to Blue Room for refreshments.

7:45 P.M. Dinner is served.

8:45 P.M. Dessert is served. Coffee service begins.

(Performance of Richards Quintet - 10 minutes.)

8:55 P.M. (Coffee service continues.)

WORKING TIME.

9:15 P.M. The PRESIDENT escorts President Nyerere to North Portico for departure.

The PRESIDENT departs Main Hall.

All guests depart via Diplomatic Reception Room.

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for Preservation Purposes

10:30 AM

MEMORANDUM

THE PRESIDENT HAS SEEN.  
THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT AND MRS. CARTER

FROM: GRETCHEN POSTON *bp*

DATE: 27 July 1977

SUBJECT: ARRIVAL SCENARIO  
Visit of the President of Tanzania  
4 August 1977

Please find attached the arrival ceremony scenario  
for President Julius K. Nyerere.

There are no family members accompanying  
President Nyerere on this trip.

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for Preservation Purposes

ON THE OCCASION OF  
THE VISIT OF  
THE PRESIDENT OF TANZANIA

ARRIVAL SCENARIO

Southwest Gate

- 10:00 A.M. Welcoming and Official Parties arrive White House, South Lawn.
- 10:20 A.M. Official Party preceding President Nyerere arrives White House. Proceeds to South Lawn positions.
- 10:27 A.M. The PRESIDENT and MRS. CARTER arrive Diplomatic Reception Room.
- 10:29 A.M. The PRESIDENT and MRS. CARTER are announced, and enter grounds to edge of carpet.

(Music - "Man of the Hour")

- 10:30 A.M. The motorcade carrying President Nyerere arrives - arrival fanfare. Official introductions.

The PRESIDENT, MRS. CARTER, President Nyerere, and the Vice President move onto platform and take positions - toe cards.

(Tanzanian National Anthem)

(U.S. National Anthem)

(21-gun salute.)

The PRESIDENT and President Nyerere descend platform for Inspection of Troops.

Following Inspection, the PRESIDENT and President Nyerere return to platform for remarks. Note new positions.

Following remarks, all Principals RETURN TO FORMER POSITIONS facing south - as Commander of Troops closes ceremony.

All four Principals descend platform and proceed to South Portico Balcony and PAUSE FOR PRESS PHOTO OPPORTUNITY. Continue into Blue Room, via Green Room, for receiving line.

- 11:00 A.M. Coffee is served.
- 11:15 A.M. The PRESIDENT and President Nyerere depart for Oval Office.
- MRS. CARTER departs Blue Room.

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Hamilton Jordan -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Federal Maritime Commission  
Member - Moakley

THE WHITE HOUSE  
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
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<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
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ACTION	
FYI	

<input type="checkbox"/>	MONDALE
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<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
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<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	ARAGON
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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

August 4, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *H.J.*  
SUBJECT: FEDERAL MARITIME COMMISSION  
MEMBER (PAS, Level IV)

As you recall, you have recently nominated Richard Daschbach to be the Chairman of the Federal Maritime Commission. There is still one additional vacancy on this five member board.

Thomas Moakley has had many years of experience in a number of different areas of the maritime business. Most recently, he has been Port Director of the City of Boston, where he has won praise for his handling of a difficult situation. He is considered to be both very knowledgeable on maritime affairs and sensitive to all facets of the industry.

Moakley has also had a successful career outside of the maritime industry, first with the F.B.I. and later as a co-founder of a data management consulting firm.

Moakley has significant Congressional support, including Speaker O'Neill, Senator Kennedy, and Congressman John Murphy, Chairman of the Merchant Marine and Fisheries Committee.

RECOMMENDATION

Appoint Moakley as Member, Federal Maritime Commission

Approve ✓

Disapprove \_\_\_\_\_

*J*

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for Preservation Purposes

COMMENTS ON THOMAS F. MOAKLEY

Congressman John Murphy (D. Mass.)

"I have known Tom Moakley for five years, and find him most competent in maritime affairs. I strongly support his appointment."

Robert Calder, Executive Director, Boston Shipping Assn.

"Tom became Boston's Port Director at a time when relations between labor, the shippers and the Port Authority had fallen to an unworkable level. Despite skepticism on the part of many people, he has substantially stabilized the situation. He is an activist who has the sensitivity to quickly comprehend a problem, to formulate solutions, and to sell those solutions to competing groups. He has had experience with the state legislature, and seems to be effective there as well."

Thomas T. Soules, President, American Association of Port Authorities

"Tom worked for me and succeeded me as Port Director in Boston. I have great respect for him as a very effective first class man. I think it's time FMC had a commissioner who understood the needs of the port community, and I couldn't suggest a better choice."

George Altvater, Executive Director, Port of Houston Authority, President of International Association of Ports and Harbors

"Tom Moakley has a good knowledge and is conversant with maritime affairs. I feel the Federal Maritime Commission needs commissioners with a good practical background, and for this reason, I highly recommend Moakley."

Bill Lyden, Vice President, Teamster Local #25; Board Member, Mass. Port Board of Directors

"Being on the Mass. Port Board of Directors, I have had the opportunity to observe Tom in various positions with the Port Authority. He has been a competent port director, who knows the maritime business. He gets along well with labor, and would be a tremendous choice."

Thomas F. Moakley  
127 Winter Street  
Whitman, Massachusetts

Registration: Democrat  
Age: 55  
White - Male

EMPLOYMENT EXPERIENCE

1975 - Present	Port Director, Massachusetts Port Authority - Responsible for running all public terminals at the Port of Boston
1970 - 1975	Assistant Treasurer, Comptroller, Port Auditor - Mass. Port Authority
1967 - 1970	Postmaster - Whitman, Mass.
1960 - 1967	Co-Founder and Treasurer, Dataman Associates (consulting firm specializing in data processing & personnel)
1948 - 1960	United Fruit Company - Steamship Operations and Administration
1945 - 1948	Federal Bureau of Investigation

EDUCATION

Bentley College (Boston)

Northeastern University C.P.A. Review

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Jody Powell -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Stu Eizenstat  
Barry Jagoda  
Tim Kraft  
Jim Schlesinger

Re: Energy Crisis Broadcast

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	
FYI	

	MONDALE
	COSTANZA
X	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
X	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
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	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
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	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
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	KING

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	LINDER
	MITCHELL
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	SCHNEIDERS
	STRAUSS
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	WARREN

THE WHITE HOUSE  
WASHINGTON

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	POSTON
	PRESS
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	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

August 4, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

JODY POWELL *JHP*  
BARRY JAGODA *Barry*

CBS News will broadcast a three-hour special, Wednesday, August 31 from 8-11pm on the Energy Crisis. They have proposed that you participate in this program and we agree.

CBS will ask several dozen ordinary Americans to pose a question on energy for the President. They will bring the videotape of these short questions to the White House and play them back for your answer. The whole segment would occupy 20 minutes of their program.

Thirty minutes of your time would be required for the taping. August 23rd is the suggested date, which Kraft says is a relatively clear day. If you wanted to extend your stay at Camp David, the taping could be done there.

This seems like a very solid proposal from our point of view.

APPROVE ✓

DISAPPROVE \_\_\_\_\_

# # # # #

*The questions are straight forward and answerable according to CBS - no "experts" and no "off-the-wall" answers. JHP*

STATEMENT RE  
UNDOCUMENTED ALIENS  
AUGUST 4, 1977

1

*Decade - 9 - millions - '76/875,000  
by immigration officials - '13 -  
Last month 35,000 San Diego Co  
25% A '1976*

I AM TODAY SENDING TO CONGRESS  
A MESSAGE ON THE COMPLEX PROBLEM OF  
UNDOCUMENTED ALIENS. AS YOU KNOW,  
WE HAVE BEEN STUDYING THIS PROBLEM  
WITH GREAT CARE OVER THE LAST SEVERAL  
MONTHS. BASED ON THAT STUDY, AND ON  
THE VALUABLE GROUNDWORK DONE IN THE  
CONGRESS OVER THE LAST SEVERAL YEARS,

I AM PROPOSING COMPREHENSIVE ACTIONS  
TO MEET FOUR MAJOR NEEDS:

1. GAINING GREATER CONTROLS OVER  
OUR BORDERS;
2. LIMITING EMPLOYMENT OPPORTUNITIES  
FOR UNDOCUMENTED ALIENS;
3. <sup>REGISTERING &</sup> REGULATING THE MILLIONS OF  
UNDOCUMENTED ALIENS ALREADY HERE; AND
4. IMPROVING COOPERATION WITH  
COUNTRIES FROM WHICH UNDOCUMENTED ALIENS  
COME.

THE PROPOSALS I AM MAKING TO  
CONGRESS FULFILL EACH OF THESE NEEDS:

- BORDER CONTROLS WOULD BE  
IMPROVED BY ADDING AT LEAST

I AM PROPOSING COMPREHENSIVE ACTIONS  
TO MEET FOUR MAJOR NEEDS:

1. GAINING GREATER CONTROLS OVER  
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4. IMPROVING COOPERATION WITH  
COUNTRIES FROM WHICH UNDOCUMENTED ALIENS  
COME.

THE PROPOSALS I AM MAKING TO  
CONGRESS FULFILL EACH OF THESE NEEDS:

- BORDER CONTROLS WOULD BE  
IMPROVED BY ADDING AT LEAST

2,000 ADDITIONAL ENFORCEMENT  
OFFICERS AT THE BORDER, AND  
BY TARGETING EFFORTS AGAINST  
THE SMUGGLING RINGS RESPONSIBLE  
FOR SO MANY OF THE UNDOCUMENTED  
ALIENS BROUGHT INTO THE COUNTRY.

-- EMPLOYMENT OPPORTUNITIES WOULD  
BE LIMITED BY PROHIBITING  
EMPLOYERS, WITH STRONG CIVIL  
PENALTIES, FROM HIRING ANY  
UNDOCUMENTED ALIENS. THE  
JUSTICE DEPARTMENT WOULD BE  
RESPONSIBLE FOR ENFORCING  
THIS PROHIBITION AGAINST  
EMPLOYERS WHO CONSISTENTLY

ARE HIRING UNDOCUMENTED ALIENS.  
FAIR TO LATIN/CHINESE, etc

REGISTERED

-- THE MILLIONS OF UNDOCUMENTED  
ALIENS ALREADY HERE WOULD  
HAVE THEIR LEGAL STATUS  
ADJUSTED -- THOSE HERE BEFORE  
1970 WOULD BE ELIGIBLE FOR  
PERMANENT RESIDENT STATUS;  
THOSE WHO ENTERED BETWEEN  
1970 AND 1977 WOULD BE ELIGIBLE  
FOR A TEMPORARY STATUS  
PERMITTING THEM TO REMAIN  
HERE FOR 5 MORE YEARS; THOSE  
ENTERING AFTER THE BEGINNING  
OF 1977 WOULD STILL BE  
SUBJECT TO DEPORTATION.

Indefinite

-- TO INCREASE EMPLOYMENT  
OPPORTUNITIES IN THE HOME  
COUNTRIES OF UNDOCUMENTED  
ALIENS, WE WILL BE WORKING  
WITH THOSE COUNTRIES'  
GOVERNMENTS TO DEVELOP  
ECONOMIC AND TECHNICAL  
ASSISTANCE PROGRAMS.

I HOPE CONGRESS WILL MOVE SWIFTLY  
ON THESE PROPOSALS, SO THAT THESE  
ACTIONS CAN TAKE EFFECT VERY SOON.  
I APPRECIATE THE COMMITMENTS OF THE  
CHAIRMEN OF THE SENATE AND HOUSE  
JUDICIARY COMMITTEES, SENATOR EASTLAND

& KENNEDY

AND CONGRESSMAN <sup>EILBERG</sup> RODINO, ↓ TO HOLD PROMPT  
HEARINGS ON THESE PROPOSALS.

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for Preservation Purposes

IN THIS DECADE, THE NUMBER OF UNDOCUMENTED ALIENS  
IN OUR COUNTRY HAS INCREASED ENORMOUSLY.

WHILE THE PRECISE NUMBER IS UNKNOWN, IT IS GENERALLY  
AGREED THAT THERE ARE MILLIONS HERE.

LAST YEAR, 875,000 UNDOCUMENTED ALIENS WERE  
APPREHENDED BY THE INS, AND IT HAS BEEN ESTIMATED THAT  
FOR EVERY ALIEN CAUGHT MORE THAN TWO ENTER AND REMAIN  
UNDETECTED.

AND THE PROBLEM IS GROWING: LAST MONTH, 35,000  
UNDOCUMENTED ALIENS WERE APPREHENDED IN SAN DIEGO COUNTY  
ALONE -- A 25 PERCENT INCREASE FROM 1976.

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Frank Moore -

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

Re: Plow Back Vote

---

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

8/4/77--1:55 p.m.

The plow back vote should come  
around 4:00 p.m.

--Frank Moore

We show about 210 votes. This  
should be enough

*good  
J*

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for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Frank Moore -

The attached was returned in  
the President's outbox. It is  
forwarded to you for your  
information.

Rick Hutcheson

Re: Congressional Adjournment

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
X	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to  
Carp/Huron within  
48 hours; due to  
Staff Secretary  
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

August 4, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *FM*

I talked to the Speaker this morning and he said scratch the party. He is pushing to get finished with everything and adjourn sine die by 9:00 p.m. tonight. He said we'll concentrate on passing bills today, and talk parties tomorrow.

*J*

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for Preservation Purposes

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Frank Moore -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Stu Eizenstat  
Jack Watson

Re: Conference Agreement on Sugar

THE WHITE HOUSE  
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION  
FYI

	MONDALE
	COSTANZA
X	EIZENSTAT
	JORDAN
	LIPSHUTZ
X	MOORE
	POWELL
X	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
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	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

August 4, 1977

*I don't like this*

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *FM*

SUBJECT: Conference Agreement on Sugar

This morning the conferees on the farm bill agreed to support the price of sugar at 52 and  $\frac{1}{2}$  percent of parity. This now amounts to about 13.5 cents per pound but will increase as the parity index rises in the future. The price support system would be suspended when the Secretary of Agriculture determines that an international sugar agreement is effective at keeping the U.S. price at not less than 13.5 cents per pound (without an indexing feature).

Senator Humphrey rejected our efforts (1) to substitute a flat 13.5 cent/pound support price for their parity indexing concept and (2) to secure any specific limitation on the duration of the program.

The conference agreement covers the 1977 and 1978 crops.

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for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

- copy of pamphlet for our  
file (send orig of  
pamphlet back to  
ONR library)

cc McTatypse  
(top page only)



THE PRESIDENT HAS SEEN.  
EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

*good*  
*C*

August 3, 1977

MEMORANDUM TO THE PRESIDENT

FROM:

Jim McIntyre

*Jim McIntyre*

For your information. I thought you might be interested in seeing an independent assessment of our progress in implementing ZBB.

We are continuing to work with the agencies to hold down the paperwork increase to a minimum.

Attachment

**Electrostatic Copy Made  
for Preservation Purposes**

## BUDGET AND PROGRAM

LIBRARY  
 NEWSLETTER  
 Box 5729  
 Washington, D.C. 20014  
 (202) 466-2300  
 OFFICE OF  
 MANAGEMENT & BUDGET

VOL. III NO. 30

Washington, July 29, 1977

Zero-base budgeting...has taken over Washington.

Most agencies are in its grip...right now. A little more than a month remains...to put the whole ZBB thing together and ship it off to OMB. The final identification of specific decision units...totals to be used in the estimates...alternative levels of funding. All of these are questions...to which answers are being developed.

Plenty of problems are arising. They are to be expected...with a new system like ZBB.

In general...this is what the major departments tell us:

First...just about everyone is giving it his or her best shot. Elaborate manuals and instructions have been prepared in most organizations...and they are being followed. Even OMB's two-page limitation on the size of decision packages...is honored more often than not. Cooperation is very good.

Second...paperwork is definitely increasing. A rough approximation...about double previous levels. This is a bad sign...that hopefully will be corrected eventually.

Third...schedules are in good shape. So far...there's no great fear of missing the September deadline to OMB. Most departments have already received zero-base submissions from components. They are up to their ears in decision packages.

Fourth...departmental staffs are developing strategies to handle over-ceiling budget submissions to OMB. Final determinations on this matter will be made later by departmental Secretaries...perhaps after discussions with the President.

Fifth...department-wide priorities are being assigned to decision packages. This is a tough job.

A few departments have requested exceptions to this aspect of the regulations...including HEW. Because of its size and diversity...HEW asked for relief from prioritizing every single decision package. The Department was authorized to forward separate priority listings for each of its major program areas, such as education, health, income security. However, as the dollar numbers in the packages get within 10% of the HEW ceiling...the Department must include a priority for every package...by cross-ranking between major programs.

Other departments have also requested variants. One proposal is for a tier ranking system, under which blocks of decision packages are given a common priority. But again...as the dollar totals approach the ceilings...priorities must be included for each package.

There are shakedown problems with the ZBB system...all over town.

One department...agreed to accept consolidated decision packages from subordinate units. Couldn't make head nor tail out of some of them. Had to go back and ask for detailed packages...with their associated workload information.

Another department...found the schedules for calculating costs were inadequate. Had to request more data.

There will be more starts and stops this year...than in the past.  
But everything seems to be on track...so far.

The extent to which regional and field activities were brought into this first ZBB exercise...varied. Some agencies tried to include all levels in the process...others developed their submission in Washington.

This is a transition year...in the eyes of many. If you are operating outside Washington...you can expect that greater effort will be made to insure your participation in the future.

How are people reacting to the new ZBB system?

To date...no consensus has developed. Some like it...others don't. ZBB procedures sound great in the textbooks. But when the packages actually get written down in black and white...not all the virtues appear automatically.

The people responsible for installing the system...have been given some rough times. In meetings with groups to discuss the program...they frequently face hostility from one or two critics in the audience.

Yet it is remarkable...that so much progress has already been made. Six months ago...ZBB was little more than an idea at the federal level. Today it is a living reality...for most budget and program managers.

How many decision packages are being put together?

Quite a few. OMB will receive over 7,000. Estimates of the total number of detailed packages being developed by departments and agencies...is upwards of 21,000. However, some departments will forward all packages they have developed.

Here are the figures...for certain departments and major agencies. The numbers are changing constantly...so it's hard to come up with a completely accurate count. But these will give you a feel for how your effort compares with some others.

	<u>Detailed Packages</u>	<u>To OMB</u>
Department of Agriculture	600	600
Department of State	167	167
Department of the Interior	300	300
Department of HEW	1,000	1,000
Department of HUD	800	240
Department of the Treasury	500	500
Department of Transportation	550	150
Veterans Administration	150	150
Energy Research and Development Admin.	600	120
Corps of Engineers	5,200	40
Department of Commerce	2,700	450
Environmental Protection Agency	450	450
General Services Administration	300	300
Department of Labor	240	240
Department of Justice	500	150
Department of Defense	Not available	700

Two of the super-departments...HEW and Defense...are going about the ZBB process differently. HEW received a submission from all of its subordinate agencies...on June 15. It is now reviewing the estimates...hoping to give OMB a look at some of the decision packages by mid-August. Decision units are being refined and internal departmental decisions processed.

Defense Department...already had an elaborate Planning, Programming and Budgeting System in being. It will use this system as a base for the ZBB submission. Decision units will be identified very much like the program elements...of past years. Joint review by the Office of the Secretary of Defense and OMB does not start until October 1. Defense plans to prepare about 40 consolidated decision units for the President.

OMB Circular A-11, Preparation and Submission of Budget Estimates, has been reissued to include the new zero-base instructions. We have already discussed this guidance in an earlier issue.

A-11 doesn't make for light reading. Totals 227 pages...including formats and exhibits. Index alone is seven pages...with two columns per page.

Most of what was in A-11 last year...is still there. Although attention is being focused on ZBB...don't forget about the other stuff. Such as schedules covering Detail of Permanent Positions, Program and Financing, Long Range Cost Factors, and Supplementary Source Data.

After all...OMB has to put together a budget for Congress. It will be structured much as it has been in previous years.

One other change...unrelated to ZBB...is a requirement written into the 1974 Congressional Budget and Impoundment Control Act. It provides that beginning in FY 1979, estimates must be presented in terms of national needs, agency missions, and basic programs.

OMB is planning to carry out this mandate...with the least disruption possible. It will utilize major functions to identify national needs; subfunctions for major missions; and the basic programs will be the same as previously included in the section of the budget titled, "The Federal Program by Function."

Best news in A-11 is that "OMB will not require new data from agencies" in connection with this provision of the law. You lucked out.

If you would like a copy of A-11 and it has not been provided through agency channels, write to the Publications Office, Office of Management and Budget, Washington, D.C. 20503.

This year...the transition quarter (TQ) drops entirely out of the standard three-year arrays in the FY 1979 budget. TQ was the short, three-month period from July-September, 1976, that was necessary to convert to the new fiscal year beginning last October 1. It has caused its share of headaches...and will not be greatly missed.

If history offers any guidance...the present fiscal year will remain quite a while. The July 1 to June 30 year lasted from 1843 to 1976.

But changes are coming faster these days. Some Congressional leaders...are already convinced that the new budget and appropriations process is too rushed. They believe more time should be allowed.

Let's hope Congress doesn't decide to switch the fiscal year again.

On the next page...are the Congressionally-approved figures included in the Treasury, Postal Service, General Government Appropriation. They total \$7.5 billion...were cleared to the President more than two months before the beginning of the fiscal year. How things have changed!

Treasury, Postal Service and General Government Appropriation Bill — FY 1978  
(\$ millions)

	<u>FY 1977</u>	<u>President's Request FY 1978</u>	<u>Passed Congress FY 1978</u>
<b>Total Appropriation</b>	<b><u>9,482</u></b>	<b><u>7,593</u></b>	<b><u>7,478</u></b>
<b>Title I — Treasury Department</b>	<b><u>2,742</u></b>	<b><u>2,949</u></b>	<b><u>2,843</u></b>
Office of the Secretary	27	30	29
Federal Law Enforcement Trng. Ctr.	10	12	12
Bureau of Government Financial Operations	146	174	147
Government losses on shipment	1	-	-
Bureau of Alcohol, Tobacco & Firearms	119	125	123
Bureau of Engraving and Printing	-	10	5
U. S. Customs Service	359	383	385
Bureau of the Mint	41	41	41
Bureau of Public Debt	114	177	118
Internal Revenue Service	<u>1,808</u>	<u>1,874</u>	<u>1,860</u>
Salaries and expenses	50	51	51
Accounts, collection, & taxpayer service	850	874	870
Compliance	908	949	939
U. S. Secret Service	118	124	123
<b>Title II — U. S. Postal Service</b>	<b><u>2,266</u></b>	<b><u>1,696</u></b>	<b><u>1,696</u></b>
<b>Title III — Executive Office of The President and Funds Appropriated to The President</b>	<b><u>71</u></b>	<b><u>73</u></b>	<b><u>72</u></b>
Compensation of The President (\$250,000)	*	*	*
White House Office	17	18	18
Executive Residence	2	2	2
Special Assistance to The President	1	1	1
Council of Economic Advisers	2	2	2
Council on International Economic Policy	1	1	-
Council on Wage and Price Stability	2	2	2
Domestic Council	2	2	2
National Security Council	3	3	3
Office of Drug Abuse Policy	1	1	1
Office of Management and Budget	27	29	29
Office of Federal Procurement Policy	2	2	2
Office of Telecommunications Policy	8	8	8
Unanticipated needs	1	1	1
<b>Title IV — Independent Agencies</b>	<b><u>4,310</u></b>	<b><u>2,876</u></b>	<b><u>2,868</u></b>
Administrative Conference of the United States	1	1	1
Advisory Commission on Intergovernmental Relations	1	2	2
Advisory Committee on Federal Pay (\$215,000) (**\$220,000)	*	**	**
Civil Service Commission	<u>3,683</u>	<u>2,371</u>	<u>2,376</u>
Salaries and expenses--Appropriation	107	111	111
By transfer	(26)	(30)	(30)
Government payment for annuitants, employee health benefits	452	506	506
Payment to civil service retirement and disability fund	3,108	1,737	1,737
Federal Labor Relations Council	2	2	2
Intergovernmental personnel assistance	15	15	20

	<u>FY 1977</u>	<u>President's Request FY 1978</u>	<u>Passed Congress FY 1978</u>
Commission on Federal Paperwork	5	-	-
Federal Election Commission	6	7	7
<b>General Services Administration</b>	<b><u>493</u></b>	<b><u>393</u></b>	<b><u>380</u></b>
Refunds under Renegotiations Act	1	-	-
Disposal of Surplus Real Property, Operating expenses	6	8	8
Federal Buildings Fund--Limit. on availability of revenue	(1,272)	(1,346)	(1,333)
Construction of buildings	(33)	(17)	(20)
Alterations and major repairs	(186)	(205)	(200)
Purchase contract payments	(92)	(99)	(98)
Rental of space	(473)	(489)	(487)
Real property operations	(424)	(470)	(462)
Program direction and centralized service	(64)	(66)	(65)
Federal Buildings Fund--direct appropriation--alteration and major repairs	125	-	-
Federal Supply Service	159	160	160
<b>National Archives and Records Service</b>	<b><u>68</u></b>	<b><u>69</u></b>	<b><u>69</u></b>
Operating expenses	66	67	67
Records declassification	1	1	1
<b>Automated Data and Telecommunications Service</b>	<b><u>28</u></b>	<b><u>8</u></b>	<b><u>8</u></b>
Operating expenses	8	8	8
Federal Telecommunications Fund	20	-	-
<b>Federal Preparedness Agency, Sal. &amp; expenses</b>	<b><u>17</u></b>	<b><u>39</u></b>	<b><u>39</u></b>
Expenses, Defense Production Act	-	12	1
General Management and Agency Oper., Sal. & expenses	7	14	13
Indian Trust Accounting	3	3	3
Allowances & Office Staff for Former Presidents (\$390,000)	*	1	1
Expenses Presidential Transition	3	-	-
Administrative and Staff Support Services	75	79	79
Harry S. Truman Scholarship Fund	20	-	-
Nat'l. Commission on Electronic Transfers (\$200,000)	1	*	*
Nat'l. Ctr. on Prod. & Quality of Working Life	3	3	3
United States Tax Court: Salaries & Expenses	7	8	8
Defense Civil Preparedness Agency	<u>87</u>	<u>90</u>	<u>90</u>
Operation and maintenance	68	69	69
Research, shelter survey and marking	20	21	21
<b>Title V — Claims and Judgments</b>	<b><u>93</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

Note: Figures may not add exactly due to rounding.

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

The First Lady

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Hamilton Jordan

RE: ADVISORY COUNCIL ON HISTORIC  
PRESERVATION (PA, \$100 PER  
DIEM)

THE WHITE HOUSE  
WASHINGTON

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION  
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	EIZENSTAT
<input checked="" type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input checked="" type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

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<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
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<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

August 2, 1977

*Rosalynn  
comment  
J*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

HAMILTON JORDAN *H.J.*

RE:

Advisory Council on Historic  
Preservation (PA, \$100 per diem)

There are currently two vacancies on the Advisory Council on Historic Preservation. The chairman is to be designated by the President.

The Council was set up in 1966 to advise the President and the Congress in the field of historic preservation. It actively promotes the coordination of government and private activities in the field, advises in the preparation of legislation on all levels, and recommends the conduct of special studies.

The OMB Reorganization Task Force has not seriously looked at this Council, and therefore is unable to say whether they will recommend its abolition.

The two candidates who we recommend for appointment to the Council are:

Dick Jenrette, of New York City and Charleston, South Carolina. Jenrette has been the leader of the Charleston historic preservation and he has good support for the appointment. He is also the cousin of Congressman Jenrette, who has an extremely high level of interest in this appointment. We recommend him for Chairman.

Jim Haas, of San Francisco. Haas is an attorney who does real estate and banking work, which is relevant to the work of the Council. In addition, he has been closely associated with the Foundation for Preservation of San Francisco's Architectural Heritage.

Attached is a list of other candidates and their sponsors. There will be two additional vacancies in February 1978.

**Electrostatic Copy Made  
for Preservation Purposes**

RECOMMENDATIONS

Appoint Jenrette as Chairman.

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

Other \_\_\_\_\_

Appoint Haas as a Member.

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

Other \_\_\_\_\_

ADVISORY COUNCIL ON HISTORIC PRESERVATION

Proposed Appointee

Recommended by

Richard Hampton Jenrette

Senator Hollings  
Charles Ravenel-Invest-  
ment Baker  
Cong. Derrick  
Cong. John Jenrette, Jr.  
Donald Fowler-Demo. Party  
of South Carolina  
Cong. Mendel Davis  
Ron Royal

Ruth Richmond

Senator Lawton Chiles

F. Eugene Smith

Cong. Seiberling  
Judith Read, Pres. League of  
Women Voters of Akron  
Jim Haas/Joe Duffey's Office

Judith Lynch Waldhorn

Paul B. Hartwig

Head of Historic Preservation  
program in Oregon

Rae Ely (Mrs.)

Mrs. John C. Parker, Jr.

Beverly Blount

Cong. Robert Krueger

Dr. Ray Brandes

Sen. Cranston

Russell W. Fridley

Sen. Anderson  
Sen. Humphrey

Clement M. Silvestro

Sen. Kennedy  
Dan Fenn

Walter Hartridge

Harry Cunningham

Senator Stone

BIOGRAPHY

Richard Hampton Jenrette

Chairman of the Board and Chief Executive Officer  
Donaldson, Lufkin & Jenrette, Inc.  
140 Broadway  
New York, N.Y. 10005

Education: University of North Carolina, B.A., 1951  
Harvard Graduate School of Business Administration, M.B.A.,

Scholastic Honors: Phi Beta Kappa  
Honorary D. Litt. (The College of Charleston, S.C.)

Previous Business  
Affiliation: Brown Brothers Harriman & Co., 1957-1959

Professional  
Associations: Member, Governing Council of the Securities Industry Assoc  
New York Society of Security Analysts  
Institute of Chartered Financial Analysts

Trustee: National Trust for Historic Preservation, and  
Chairman, Investment Sub-Committee  
Chi Psi Educational Trust  
New York University  
University of North Carolina Association of New York

Director: "The News and Observer", Raleigh, N.C.  
Rose's Stores, Inc., Henderson, N.C.  
General Alumni Association of the University of North Carolina  
North Carolina Society of New York  
Harvard Business School Club of Greater New York

Other Affiliations: Visiting Committee, American Wing of the Metropolitan  
Museum, New York City

Clubs: The University Club, New York City  
The Brook, New York City  
The City Midday Club, New York City  
Harvard Club of New York City  
Harvard Business School Club of Greater New York

Addresses: 17 West 54th Street, New York, N.Y.  
Edgewater House, Barrytown, N.Y.  
9 East Battery, Charleston, S.C.

Born: April 5, 1929, Raleigh, N.C.

Richard Hampton Jenrette

Preservation Related Activities

1. Owner of two historic houses - "Edgewater", Barrytown, N. Y. (circa 1820), and Roper House, Charleston, S. C. (circa 1838). Listed on National Register of Historic Properties.
2. Have bought, restored, and sold six other historic residences - all dating pre-Civil War - in South Carolina and New York State.
3. Rebuilding of the Mills House - a successful 230-room hotel in the historic district of Charleston, South Carolina.
4. Former trustee of Historic Charleston Foundation, Charleston, South Carolina.
5. Trustee, National Trust for Historic Preservation, Washington, D. C. Chairman of Investment Subcommittee.
6. Trustee or advisor to at least half a dozen smaller foundations, charities, and house museums dedicated to historic preservation. Numerous financial contributions to preservation over the years.
7. As a trustee of New York University, I have supervised restoration of 5 Washington Square North, a Greek Revival townhouse, circa 1825, which is owned by NYU.

RESUME

JAMES W. HAAS

Permanent Addresses

Office:

Graham & Jones  
One Maritime Place  
San Francisco, Cal. 94111  
415/986-2171

Residence:

163 Prospect Avenue  
San Francisco, Cal. 94110  
415/285-5048

Washington Addresses

Office:

Office of the Secretary  
Department of Commerce  
Washington, D.C. 20230  
202/377-2357

Residence:

3000 Chesapeake Street, N.W.  
Washington, D.C. 20008  
202/244-1779

DATE OF BIRTH: April 10, 1942

MARITAL

STATUS : Single

PRINCIPAL

EMPLOYMENT : 1974 - Present - Graham & James - San Francisco, California - a law firm specializing in admiralty and international business transactions. My practice involves banking, real property and general business transactions.

1969 - 1972 - Marshall Kaplan, Gans & Kahn - San Francisco, California - public administration consulting firm.  
I evaluated local programs and their administrators for HUD, studied the operations of a number of Mayor's offices for HEW, and assisted the State of Hawaii with a coastal plan.

1965 - 1966 - Director of Training, Project Head Start, Office of Economic Opportunity, Washington, D.C. I conceived, organized and implemented training programs for local project staffs involving over 40,000 people costing \$16 million.

OTHER

EMPLOYMENT : November 1976 - January 1977 - Carter Mondale Transition Planning Group, Washington, D.C.--Personnel Advisory Section - Staffing Department of Commerce.

June - December 1972 - McGovern for President Campaign Treasurer for Northern California. Supervised the raising and spending of \$500,000.

JAMES W. HAAS

EDUCATION: Stanford University, B.A. 1964  
Columbia University, J.D. 1969

CIVIC AND  
COMMUNITY

ACTIVITIES: 1976 - Appointed by San Francisco Board of Supervisors to a three person fact-finding committee to review municipal employees salaries during April strike.

1975 - Appointed to Nominating Committee to select Trustees for Stanford University.

1971 - Chairman, Advisory Council of President of the Board of Supervisors, City of San Francisco.

1971 - Treasurer and Director of San Francisco Comprehensive Health Planning Council.

1973 - Vice President and Director, Foundation for Preservation of San Francisco's Architectural Heritage.

POLITICAL  
ACTIVITIES:

Major Activity:

President of Northern California Political Action Fund, a nonprofit corporation organized to support voter registration. Over \$10,000 was expended in 1976 and \$20,000 in 1974.

1975 - Moscone for Mayor, San Francisco  
Agos for State Assembly

1972 - McGovern Staff, Democratic National Convention

1970 - Hart for Congress, Santa Barbara, California

1968 - Lowenstein for Congress, Long Island, New York

McCarthy for President - County coordinator in Wisconsin and New Hampshire

THE WHITE HOUSE  
WASHINGTON

August 4, 1977

Landon Butler

The attached was returned in the President's outbox and the signed original of the letter is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Tim Kraft

RE: LETTER TO DOUG FRASER

X

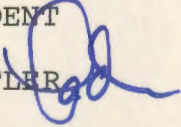
MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: LONDON BUTLER 

DATE: AUGUST 3, 1977

SUBJECT: DOUG FRASER'S LETTER ON THE ILO

Attached is a letter to you from Doug Fraser in which Doug states his position that the United States should not withdraw from the International Labor Organization.

Both the letter and the draft response for your signature have been reviewed by Ray Marshall and the NSC staff.

WNE 03 111

THE WHITE HOUSE  
WASHINGTON

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<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION  
FYI

<input type="checkbox"/>	MONDALE
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<input type="checkbox"/>	JORDAN
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<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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<input type="checkbox"/>	BRZEZINSKI
<input checked="" type="checkbox"/>	BUTLER
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<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
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<input type="checkbox"/>	FIRST LADY
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<input type="checkbox"/>	JAGODA
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<input checked="" type="checkbox"/>	KRAFT
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<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

1971 SEP 29 PM 3 22

RECEP. AND SECURITY UNIT  
THE WHITE HOUSE  
WASHINGTON

THE WHITE HOUSE  
WASHINGTON

August 3, 1977

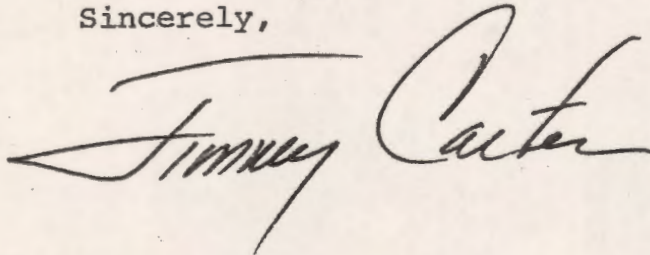
To Doug Fraser

I appreciate your sharing with me your very thoughtful comments on the possible withdrawal of the United States from the International Labor Organization.

The Cabinet Level Committee on the ILO will meet on August 11 to consider the range of options available to us.

After the meeting, perhaps you and I should discuss the issues involved in this difficult decision.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is fluid and cursive, with the first name "Jimmy" and the last name "Carter" clearly distinguishable.

Douglas A. Fraser, President  
International Union, UAW  
Solidarity House  
8000 East Jefferson Avenue  
Detroit, Michigan 48214

*Solidarity House*

8000 EAST JEFFERSON AVE.  
DETROIT, MICHIGAN 48214  
PHONE (313) 926-5000



INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

DOUGLAS A. FRASER, PRESIDENT

EMIL MAZEY, SECRETARY-TREASURER

VICE-PRESIDENTS

PAT GREATHOUSE • KEN BANNON • DENNIS McDERMOTT • IRVING BLUESTONE • ODESSA KOMER • MARC STEPP • MARTIN GERBER

July 28, 1977

President Jimmy Carter  
The White House  
Washington, D. C.

Dear President Carter:

I have followed closely for several years the debate over the continued participation of the United States in the International Labor Organization (ILO). Because you will soon be making a decision on this crucial issue, I would like to make you aware of my position.

Like many other American trade unions, the UAW has been proud that the ILO was created, in large part, at the urging of the labor movement. It was and is a unique tripartite world organization in which workers have an equal voice with government and management. Although we live today in a much different world than existed in 1919 when the ILO's charter was established, its goal of promoting the well-being of working people throughout the world remains valid today.

As President of the United States, you have made it clear that human rights is a cornerstone of our nation's foreign policy. I believe that the ILO has a significant role to play in the struggle of workers for human rights across the world. If the United States withdraws from the one international agency which has played such a central role in promoting human rights for workers, our hope of improving the lives of many will greatly diminish.

I have been distressed by the increased drift toward unconstructive politicization of the ILO and share the belief of many trade unionists that its greatest contribution must be in providing technical and developmental assistance to working people particularly in developing nations. The ILO cannot and should not be the forum for resolving broad, complex foreign policy issues confronting member states. If the ILO is to achieve its objectives, it will be essential that non-communist industrial nations and third world countries support efforts to limit the trend toward purely politically motivated resolutions.

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for Preservation Purposes

July 28, 1977

My hope is that the U.S. will remain an active participant in the ILO and will press vigorously within that forum for the human rights principles you have so articulately presented as President. It is not clear to me that our goals can, in any way, be furthered by withdrawal. In fact, withdrawal will provide those with whom we strongly disagree an unobstructed path down which they will carry their effort to expand their influence, particularly in developing countries. In addition, I believe withdrawal will harm many member nations which have supported our positions, both on specific and general ILO issues.

The UAW has always been a friend of Israel, a nation with a strong, democratic trade union movement. We have deplored the condemnation by the ILO of Israel without even an effort to impartially investigate the charges as required under established ILO procedures. Yet neither that development nor the seating of Palestine Liberation Organization observers resulted in a decision by Israel to withdraw. Nor have any other western democracies which shared the U.S. position on these and other ILO issues chosen to withdraw. //

In addition, I am concerned that U.S. withdrawal from the ILO could create pre-conditions for the unravelling of our involvement in other international forums that can and should move us closer to the goal of world peace. That goal can best be achieved by improving and strengthening these forums rather than abandoning them to countries with which we disagree.

I hope you share my belief that the concessions which we seek in order to have the ILO properly live up to its promise can best be achieved from within the organization. I would be happy to discuss this matter with you further should you wish and appreciate greatly the opportunity to express my views to you on this crucial subject.

Respectfully,



Douglas A. Fraser, President  
International Union, UAW

1:15 P.M.

THE PRESIDENT HAS SEEN.

MEETING WITH THE PRESIDENT TO DISCUSS SALT

AUGUST 4, 1977 1:15pm

CABINET ROOM

PARTICIPANTS:

Rita Hauser

David Packard

Lane Kirkland

Paul Nitze

Melvin Laird

Eugene Rostow

Henry ("Joe") Fowler

Bud Zumwalt

Secretary Harold Brown

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2:40 PM

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

Meeting with Scout Troop #139  
of Calhoun, Georgia  
Thursday, August 4, 1977  
2:40 p.m.  
(10 minutes)  
The Rose Garden

(by: Fran *Worde*)

I. PURPOSE: to greet and welcome the Scouts on a week-long tour of Washington

II. BACKGROUND, PARTICIPANTS, PRESS PLAN:

A. Background: Most of the Scouts from this Troop suffer from mental retardation.

While visiting in Calhoun earlier this year, the President invited them to come to Washington and The White House.

We have made arrangements for them to stay at Fort Belvoir, Va.

Several tours have been arranged for them; earlier today they will have toured The White House and observed the Arrival Ceremony.

B. Participants: The President  
Scout Master William Balliew  
(pronounced Balou)  
Assistant Scout Masters & Scouts  
(total of 16 people)

C. Press Plan: White House Photographer Only

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THE PRESIDENT HAS SEEN.

2:30 PM

THE WHITE HOUSE

WASHINGTON


August 3, 1977

MEETING WITH JIMMY AND SHIRLEY MURPHY

Thursday, August 4, 1977

2:30 p.m. (5 minutes)

The Oval Office

From: Hugh Carter 

I. PURPOSE

To greet and be photographed with Jimmy and Shirley Murphy

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Jimmy Murphy, who was recently appointed a U.S. Marshal in Savannah, Georgia, is here attending a Marshal's seminar. He and Shirley will visit with Mrs. Carter first, and she will accompany them to the Oval Office.

B. Participants: The First Lady  
Jimmy Murphy  
Shirley Murphy

C. Press Plan: White House photographer only.

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for Preservation Purposes

S 8/4/77

ACTION

Last Day: Friday, August 5

THE WHITE HOUSE

WASHINGTON

August 3, 1977

*Sta -  
see note  
F*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Sta*

SUBJECT:

Enrolled Bill H.R. 6884 -  
International Security Assis-  
tance and Arms Control Act  
of 1977

You must decide by Friday, August 5, 1977, whether to sign or veto this bill.

THE BILL

(a) Authorizes appropriations of \$3,195.9 million for security assistance and certain other programs and places individual country limitations on the use of certain funds; (b) specifies the countries in which the United States may maintain Military Assistance Advisory Groups (MAAGs) and establishes country and program ceilings for U.S. personnel assigned to MAAGs; (c) provides that Congress, by concurrent resolution, may block Presidentially-approved transfers of U.S. military equipment or services to third countries and certain export licenses; (d) contains several significant policy revisions; and (e) requires several studies of various aspects of security assistance programs.

The only parts of the bill which raise significant controversy are the provisions permitting Congress to overturn arms sales approved by the President. The Department of Justice believes that these provisions are unconstitutional on two grounds -- (1) they conflict with the requirement that congressional actions purporting to have the force of law be subjected to the President's veto power, (2) they interfere with the President's authority to conduct foreign relations, in violation of the doctrine of separation of powers.

THE VOTES IN CONGRESS

House 242-163

Senate 67-18

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ARGUMENTS FOR SIGNING

The bill generally supports the Administration's objectives and programs with respect to security assistance.

AGENCY AND STAFF RECOMMENDATIONS

OMB, State, Defense, the Agency for International Development, and Justice all recommend that you sign the bill, although all suggest that you issue a statement expressing reservations about the provisions authorizing congressional veto of military equipment transfers and export licenses. Frank Moore and Jack Watson concur. Justice recommends a statement flatly asserting that you consider this provision unconstitutional, and hinting that you might ignore Congress if it were to attempt to block a Presidentially approved transfer. I recommend (Zbigniew Brzezinski and Bob Lipshutz agree) that you sign the bill and issue the less provocative statement proposed by State. The proposed signing statement is attached.

DECISION

_____	Sign H.R. 6884
_____ ✓	Sign H.R. 6884 with State statement (recommended) <b>TAB A</b>
_____	Sign H.R. 6884 with Justice statement <b>TAB B</b>
_____	Veto H.R. 6884

# STATEMENT BY THE PRESIDENT

Today I am signing into law H.R. 6884, the International Security Assistance Act of 1977. The programs made possible by this law include military assistance, international military education and training, and foreign military sales. The bill gives the United States an important tool with which to help meet reasonable and legitimate defense needs of our friends and allies. Such help contributes to our own security.

When I requested these authorizations from Congress in March, I emphasized my commitment to reducing conventional arms transfers throughout the world, and to imposing greater discipline on our own arms transfers. Recently I announced a policy of restraint which is a major step toward my goal. And the military programs authorized by H.R. 6884 will help us make further progress, by fostering the climate of security so important to lasting reductions in the world's arms trade.

I am pleased to note that some two-thirds of the funds authorized by the bill, as I had requested, will be for non-military programs. These will help bring economic and political stability to troubled regions of the world. The security supporting assistance programs in the bill differ somewhat from those which I proposed to Congress, but I believe that H.R. 6884 will nevertheless permit us to carry out an effective overall program in fiscal year 1978. I welcome in particular this bill's recognition of the special importance of security supporting assistance in the Middle East and in southern Africa.

However, I must note my serious concern over sections 16 and 20 of the bill. These provisions amend the Arms Export Control Act in such a way as to let Congress prevent Presidential action authorized under law simply by adopting a concurrent resolution of disapproval. Such provisions raise major constitutional questions, since Article I, section 7 of the Constitution requires that congressional action having the force and effect of law be presented to the President for approval. These provisions also have the potential of involving Congress in the execution of the laws, a responsibility reserved for the President under the Constitution. I am approving H.R. 6884 because of its importance to our foreign relations and national security, but I must express my deep reservations about these two provisions, and my intention to preserve the

I intend to carry out the programs authorized by H.R. 6884 -- the first security assistance legislation of my Administration -- in such a way as to improve prospects for international peace and security.

Still  
some thing at least  
as strong as this - I

Constitutional authority of  
The President.